

# **The Impact of Brand Consensus on Brand Response – Do homogeneous brand associations benefit the brand?**

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## **Abstract**

**Brand associations have been linked to brand response in numerous ways. Much research has focused on the number, valence and uniqueness of brand associations. This paper focuses on another association facet which managerially-oriented brand literature frequently highlights as a sign of brand strength: Brand consensus, that is, the degree to which people elicit the same associations when confronted with a brand. We introduce two meaningful operationalizations of consensus (group- and individual-level) and discuss and test the link between consensus and brand response. Our results, which are based on a large-scale study for an international luxury brand, show that for individual consumers high levels of brand consensus tend to foster positive brand response whereas for a group as a whole too much brand consensus tends to be detrimental.**

*Keywords: Brand Associations, Brand Consensus, Brand Equity*

*Track: Product and Brand Management*

## **1. Introduction**

The study of consumer brand associations is a prominent stream of research in marketing. Numerous studies discuss and analyze different facets of brand associations such as their strength, favorability, and uniqueness (Keller, 1993; Krishnan, 1996). Not only recently, consumer brand researchers have shown interest in yet another facet of brand associations: brand consensus, that is, the degree to which brand associations are shared among consumers. Brand researchers (e.g., Aaker, 1991; Kapferer, 2005; Keller, 1993) as well as researchers from the fields of corporate and service branding (e.g., Brown, Dacin, Pratt & Whetten, 2006; Hatch & Schultz, 2001) or brand symbolism (e.g., Elliott, 1994; Ligas & Cotte, 1999) highlight the significance of a shared brand perception. Like the number, valence or uniqueness of associations, consensus may be a source of brand equity, by positively relating with consumers' brand response and ultimately brand strength (e.g., Keller, 1993). Kapferer (2005), for instance, states that a brand should be "[...] a shared desirable and exclusive idea [...]" and that "[...] the more this idea is shared by a large number, the more power the brand has" (p. 13). To our knowledge there is, however, no empirical study examining the link between consensus and response.

This study contributes to extant research by introducing two meaningful operationalizations of consensus (group- and individual-level consensus). The empirical study relies on results of a large-scale study (sample size: 9,915) on consumer brand associations for an internationally operating Austrian luxury brand. We test the link between consensus and attitudinal brand response indicators such as trust, desirability, and commitment as well as behavioral indicators such as future purchases and recommendation likelihood at both an individual and group level. Our results indicate that brand response for individual consumers is higher the more they agree with their peers on brand associations. However, at the country level our results show an inverse relationship between the level of brand consensus in a country and its average brand response.

## **2. Two Layers of Brand Consensus**

By studying brand consensus, researchers aim to understand whether members of a given population have similar mental representations of a brand. There are a few studies examining brand consensus in a descriptive way, for instance, across age groups and genders (Elliott, 1994), across stakeholder groups (von Wallpach & Koll, 2007), or across countries (Matthiessen & Phau, 2005). In this research tradition, all associations of a certain population, for instance, a country, are grouped according to their content and consensus is examined for the population as a whole (that is at an aggregate level). This allows examining the degree to which the group in question agrees or disagrees with regard to their brand knowledge and helps management understand the degree and manifestations of brand knowledge heterogeneity. In this perspective, one applies the logic "our brand's top x associations account for y% of all associations elicited".

A different perspective on consensus is to focus on the individual, not the whole group. It is reasonable to assume that some individuals hold associations which strongly overlap with what others think, whereas others have associations in mind which are shared only by a very small number of people. To draw a more holistic picture of brand consensus, we also apply an individual level of analysis in the study of brand consensus. We introduce an individual consensus score to measure the degree to which every single respondent's brand associations overlap with the brand associations of the whole population. Consequently, the more an individual's brand associations are in line with the aggregate brand associations, the higher

the individual brand consensus. In our empirical study we employ an aggregate as well as an individual level of analysis.

### **3. The Brand Consensus - Brand Response Link**

Social psychology assumes that others influence the beliefs, attitudes, and behaviors of individuals. A powerful influence on the individual is represented by construed image, that is, by what the individual thinks others think. This fact is also important for branding as individual reactions to brands are affected by beliefs of others. Reference group literature, for instance, reveals that individuals' product and brand choices are often influenced by their peers (Childers & Rao, 1992). Individuals tend to prefer brands which are popular with the group they want to be associated with. What is most interesting for our research is the question whether the degree to which someone shares thoughts about a brand impacts one's reaction to the brand.

Various marketing academics study the connection between what consumers know about a brand and their reactions to that brand in terms of attitudes and behaviors (e.g., Agarwal & Rao, 1996; Cobb-Walgren, Ruble & Donthu, 1995; del Rio, Vázquez & Iglesias, 2001). Krishnan (1996) for instance, tested the impact of different facets of brand associations on brand response and verified that favorability, strength and uniqueness of brand associations are sources of positive brand equity, that is, they foster positive brand response. He bases his findings on Keller's (1993) consumer-based brand equity framework. We use Keller's (1993) framework to determine the effects of consensus of brand associations on brand response, both at an aggregate and at an individual level. Our aggregate-level analysis makes a cross-country comparison whereas our individual-level analysis tests the impact of the degree of consensus of individual consumers with peers in their country.

Based on previous findings (Koll and von Wallpach, 2009; Krishnan, 1996) that show favorability of associations is a very important driver of positive brand response, we believe that favorability is also an important mediator of the consensus-response relationship. It is not reasonable to assume that consensus leads to positive brand response irrespective of the valence of the shared associations. We, therefore, believe that in order for brand consensus to have a positive effect on brand response, associations need to be favorable. Thus, considering the presented literature, we assume that the higher the degree of shared favorable brand associations, the stronger the positive impact on attitudinal and behavioral brand response.

### **4. The Empirical Study**

#### *4.1 Instrument*

We study brand consensus for an internationally operating Austrian luxury brand, because this allows us to perform cross-country as well as cross-respondent comparisons for multiple countries. The questionnaire is administered online and collects both brand associations and brand response data.

- The questionnaire employs a free association task based on Spears' et al. (2006) Unique Corporate Association Valence (UCAV) approach. Informants are exposed to the brand in question and submit a maximum of eight associations they elicit with the brand. Subsequently, they rate the favorability of each submitted association on a five-point Likert-scale.
- In order to measure attitudinal and behavioral brand response, the questionnaire uses an item battery of statements concerned with attitudinal (trust, desirability, and

commitment) as well as behavioral constructs (future purchases and recommendation likelihood). An example for such a statements is “I have a lot of trust in the brand”. Informants express their agreement or disagreement with each statement on a five-point Likert-scale.

#### *4.2 Sample*

Our sample for the aggregate level analysis consists of 9,915 consumers in Austria, Brazil, Canada, China, France, Germany, Hong Kong, India, Italy, Japan, Korea, Russia, Spain, Switzerland, Taiwan, the United Kingdom and the United States (between 500 and 1000 respondents per country). Our sample for the individual level analysis consists of 4,168 consumers in China, Germany, Japan, Russia and the USA. The informants are members of a commercial online survey panel.

#### *4.3 Measures*

Two coders independently coded all associations based on a codebook developed from a sub-sample of respondents. Inter-coder agreement was 89% – disagreement was settled through discussion.

To assess brand consensus at the aggregate level, we follow the logic of von Wallpach and Koll (2007) who operationalize consensus as the percentage of all the associations, which is covered by the top 25 associations in a country. This means that the sum of the relative frequencies of the top 25 associations in each country serves as the aggregate level consensus indicator for each country.

Consensus at the individual level is operationalized as the percentage to which an individual's associations overlap with the entire set of associations elicited in the her specific country. In other words, individual level consensus corresponds to the sum of the relative frequencies of the associations elicited by a single respondent. For example, the level of brand consensus of an informant who elicited 3 associations, which respectively cover 10%, 5% and 3% of all associations elicited in the informant's country, is 18%.

To operationalize brand response, we calculate mean attitudinal and behavioral brand response scores across items for each respondent as well as for each country. Likewise we operationalize the favorability of associations by calculating a personal mean favorability score for each respondent as well as a country mean score for each country.

#### *4.4 Results*

Table 1 and 2 show the individual level results of the correlation analysis between brand association consensus and brand response. In four out of five countries there is a statistically significant, yet small positive relationship between individual brand consensus and both attitudinal and behavioral brand response. The more the brand perception of a single respondent is in line with aggregate brand knowledge, that is, the more it is shared with other respondents in the same country, the higher this respondent's brand response.

The correlation between consensus and favorability of brand associations is positive, but very low in all countries. To test whether consensus matters for different degrees of favorability we assign respondents to five groups according to their mean favorability score across all associations they mentioned. We show the results for the USA in Table 3: For the low favorability groups (groups 1-3), correlation between consensus and brand response is negative, whereas for the high favorability groups (groups 4-5) correlation between consensus and brand response is positive. However, only three out of ten correlation coefficients are significant.

Contrary to our expectations, aggregate level analysis reveals medium to strong negative correlation coefficients between brand consensus and both attitudinal (-0.43) and behavioral brand response (-0.51). Even though only the latter is significant (sample size is only 17), the effect size is medium to high (Cohen, 1988). Moreover, a median split confirms the inverse relationship between consensus and brand response: Countries with lower levels of consensus tend to have stronger average attitudinal and behavioral brand response than countries with higher levels of consensus. Furthermore, in line with other studies we find a highly significant ( $\alpha=0.01$ ) positive correlation between favorability and both attitudinal (0,784) and behavioral (0,796) brand response but a low non-significant negative correlation (-0,267) between favorability and consensus of associations.

		Attitudinal brand response				
		China	Germany	Japan	Russia	USA
Consensus	Correlation Coefficient r	0.056	0.159	0.155	0.097	0.092
	p-value	0.110	0.000	0.001	0.032	0.000

Table 1: Correlation coefficients between consensus and attitudinal brand response at the individual level

		Behavioral brand response				
		China	Germany	Japan	Russia	USA
Consensus	Correlation Coefficient r	0.037	0.129	0.144	0.112	0.099
	p-value	0.291	0.005	0.003	0.013	0.000

Table 2: Correlation coefficients between consensus and behavioural brand response at the individual level

		Favorability Group	Attitudinal brand response	Behavioral brand response
Consensus	Group 1		r = -0.123 (p=0.719)	r = -0.183 (p=0.590)
	Group 2		r = -0.209 (p=0.195)	r = 0.149 (p=0.360)
	Group 3		r = -0.117 (p=0.036)	r = -0.084 (p=0.134)
	Group 4		r = 0.049 (p=0.236)	r = 0.050 (p=0.230)
	Group 5		r = 0.090 (p=0.007)	r = 0.105 (p=0.002)

Table 3 Correlation coefficients between consensus and brand response for different favourability groups (USA) at the individual level

## 5. Discussion and Implications

Our study investigates the relationship between consensus of associations and brand response. The study is split into an aggregate-level analysis, which uses countries as the unit of analysis, and an individual-level analysis, which focuses on individuals within a country. On the individual level we proposed that respondents whose brand associations are more in line with the brand associations of their peers, also respond more intensively to the brand. Our results confirm this assumption. The more a respondent's brand associations are shared by other respondents in the same country, the higher this respondent's brand response. While we do not assume causality either way, we conclude that people who share brand associations with others are less likely to show a negative attitude and behavior towards the brand. However, this link may be moderated by the favorability assigned to one's brand associations: If their favorability is low, the level of consensus is unrelated to response, and only if their

favorability is high, we find a positive relationship with response. In other words, if one's brand associations are unfavorable, it is irrelevant if others share them: Consensus does not further positive brand response for low favorability associations.

On the aggregate level we proposed that high brand consensus in a country leads to stronger average attitudinal and behavioral brand response. Interestingly, our findings show that countries with lower levels of consensus tend to have more positive average brand response than countries with higher levels of consensus. In other words, the analysis suggests that the average response to a brand is higher in countries with less consensus about the associations of the brand. One explanation for this inverse relationship is that too much brand consensus at the aggregate level is detrimental to brand response. For example, recent literature on brand antagonism (Lüdicke & Giesler, 2007) shows that it can be positive for an organization when there are different positions on what the brand means – especially when they are contrasting – because diverging brand perceptions give rise to social discourse and motivate brand enthusiasts to defend the brand. At the same time, however, (at the individual level) consumers need the necessary confirmation and reassurance of people who share their brand perceptions.

Our study has some implications for brand management. First of all, we add an individual level of analysis to the discussion of brand consensus and offer operationalizations of consensus. Practitioners can use these indicators for brand monitoring purposes in their organizations. Another interesting issue for brand management is the managerial implication of brand consensus. There is a discrepancy between the results of the aggregate-level and individual-level analysis with regard to effect size. Correlation coefficients for the aggregate level-analysis are substantially higher than for the individual-level analysis. This suggests that that at the aggregate level there is a medium to strong connection between consensus and response, whereas for individual consumers consensus seems to be only of minor importance. Furthermore, aggregate as well as individual level analysis showed that in order to truly understand the consensus-response relationship, favorability of brand associations needs to be included in the analysis as a moderating factor.

Our empirical study applies an intra-brand perspective, which means that it is limited to one specific brand. Since our study is the first to test the consensus-response relationship, it needs to be replicated for other brands and in different industries in order to be able to generalize the results. The aggregate level analysis does not give a clear answer as to the influence of brand consensus on brand response. Future studies may want to include a larger set of countries in order to get more statistically meaningful results. Furthermore, the study only represents a snapshot of consumers' brand perceptions and response. Therefore, another future research avenue is to monitor and compare the development of brand consensus and the consensus-response relationship over time. When we speak of consensus, we understand it in mere terms of content. A more stringent definition may require people to share not only associations of the same content but also with the same strength and favorability.

A limitation of the aggregate-level-analysis is the comparison of countries with different cultural backgrounds. It is reasonable to assume that in some cultures consensus plays a more important role than in others. Hofstede (2001), for instance, distinguishes cultures according to their (in)tolerance of uncertainty and ambiguity. According to him, ambiguity intolerance or uncertainty avoidance “is the extent to which the members of a culture feel threatened by ambiguous or unknown situations” (Hofstede, 2001, p. 167). It is, therefore, conceivable that in countries with high ambiguity intolerance brand consensus is more important than in countries with low ambiguity intolerance and, consequently, has a stronger influence on brand response.

Another interesting research avenue is to test what effects the consensus of certain types of brand associations has on brand response. It may, for instance, be beneficial for a brand if people share associations concerning the price level, whereas it may be detrimental (e.g. for

extension purposes) to have a high degree of consensus regarding functional benefits. These are, of course, only speculations, which need to be verified by further empirical studies.

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